CITY OF FRISCO PURCHASING DIVISION

March 30, 2011

Addendum #1

Questions and Answers

Bid # 1103-030

RFP for Depository and Credit Card Services

1. Page 5 of the RFP Item #17 states BID AWARD: The City reserves the right to award a separate contract to separate bidders for each item/group or to award one contract for the entire bid. Unless stipulated in the attached bid specifications, the contract will be awarded to the lowest responsible bidder or to the bidder who provides the goods or services specified herein at the best value for the City in compliance with Texas Local Government Code, Section 252.043. Can the bidder specify an all or none stipulation on a segment of the business (i.e. Depository services, Merchant Services, Investment Services) as a condition of the bid? . Can the bidder also choose to pass on a segment of the business?

   If the vendor so chooses, they may stipulate an all or none stipulation on a segment of the bid. The vendor may also choose to pass on a segment of the business. Note that the City will choose to award the RFP based on the best value for the City.

2. The City is interested in an Automated Teller Machine (ATM) for the Jail. As Attachment N please confirm the interest in your bank's providing an ATM for the City Jail and the pricing based on volume requirements. Can City of Frisco provide an estimate of the ATM transaction volume for the City Jail?

   490 per month possibly. Actual volumes are unknown.

3. Regarding RFP page 64 referencing ACH vendor payment program, is your current bank providing this service? If yes, please clarify or give an example of how this would work.

    Our bank is not providing this service currently, but we are interested.

4. What is a statement cycle? Under ZBA Master Account, there are 7 listed.

   We receive a statement for all 7 accounts monthly with a 30 or 31 day cutoff based on the number of days in the month.

5. Under the Post No Checks (account?), I would like to know the amount deposited/processed at the branch. Also, what information is provided in the email notification?

   This is not an account. There are 5 accounts that checks are not written on which are included in the Post No Checks. We do not deposit at the branch, armored car takes all deposits to the central vault. We do use the branch banks to cash petty cash checks and get change.

6. Lockbox (account?) has maintenance listed. Are the next 3 sections (Image Capture, Wholesale Item, and Check Image) all part of the Lockbox?

   Yes

7. Within the Check Image section, what is RWLB Consol Receivable Monthly Maintenance? How is it used and what details does this provide? Also within this section, what does RWLB Return Item Maintenance provide that is different than regular return item notification?

   This is the bank maintenance for receivables information within the Wholesale Lock Box Account. It provides all of the payments received on a daily basis. The RWLB return item maintenance provides return information for the Wholesale Lockbox account only and is available on a daily basis also.

8. Within the Depository Services section - please confirm if return items are charged to a different account than the deposit was originally made into. So if account A deposited a check for $100 and it is returned, then is this the ability to charge account B for the fee?

   No, return checks are charged to the same account as the original deposit. Fees are charged to the original deposit account. All return items are presented twice before returning to the City for collection.

9. Disbursement Services section - What is the image retention ext per item?

   This is the charge per item for each Lock Box account transaction image retained in the archive.

10. Reconciliation Services - Image Capture Per Item, is this a reconciled service, and if so, what is this and how is it being reconciled?

    This is the charge per image for the Lock Box account for the capture of all imageable transaction items (paid checks, deposit tickets, etc.) that are included in the CD Rom Image Viewer or made for viewing online.

11. Within the Funds Transfer services, what is SOFTI Standard Calculation and how/when is it used?

   This is the charge per transaction for the Lock Box account to determine the balance requirement for a Standard Order Financial Transaction Initiation (SOFTI) automated funds transfer.

12. RECEIPTSTREAM/ENH Rec Services - EDI Detail Report - please provide additional information about this service and how it's used. Is it EDI records related to an ACH?

   This is the charge per page for the Lock Box account for an Electronic Interchange Remittance (EDI) detail level report formatted by ReceiptStream and delivered via the bank's online access.

13. Information Services section - What is the User Module and how is it used? What is the reason for the Client Maintenance? Account Maintenance - 1 year history; what information is available for 1 year? Special Report Fee - please provide details about the special report requirement/needs.

   The User Module charge is the monthly subscription charge per user for the bank's online module. Client maintenance is the number of users that have access to the online bank services. All bank transaction activity is available for one year. The special report fee is for monthly maintenance for reports produced by the system.

14. Concerning the collateral,

   I) Will we be able to pledge GNMA securities?
        a) Will we be able to pledge mortgage-backed pools?
        b) Will we be able to pledge mortgage-backed CMOs and REMICS?
   II) Will we be able to pledge FHLMC securities?
        a) Will we be able to pledge mortgage-backed pools?
        b) Will we be able to pledge mortgage-backed CMOs and REMICS?
   III) Will we be able to pledge FNMA securities?
        a) Will we be able to pledge mortgage-backed pools?
        b) Will we be able to pledge mortgage-backed CMOs and REMICS?

   Collateral is addressed in the City's Investment Policy which is included in Exhibit 3. We will only accept collateral that is approved in the City Investment Policy, and then we also approve any collateral on a case by case basis. All substitutions and changes must be approved by the City.

15. Concerning your lockbox:
   I) What is it being used for? (Utility payments, etc)
   II) Could you provide a little more information as to how you use it, etc?

This is mail in payments received for the City's Emergency Medical Services. The lock box receives the payments and the bank provides reports to the third party contractor that manages the service for the City.

16. Concerning your Investments & Safekeeping, could you provide a copy of a recent statement and if not, could we get a current list of the City's safekeeping assets, number of transactions per month, etc?

    The City currently holds 14 instruments in safekeeping. The average number of monthly transactions is 10. See Exhibit 4 for more information.

17. Can we provide links to bank financial information, to reduce the size of the response?

    It is requested that you provide all documentation with your proposal. Links to information may be deemed inadequate.

Vendors who may have already submitted a bid and feel this addendum may change their bid price, may pick up their bid, and return it by the closing date. If picking up the bid is not feasible, any new bid submitted by your firm will supersede one previously submitted.

Acknowledge receipt of this addendum by initialing in the appropriate space on the bid document.

Sincerely,

Tom Johnston CPPO, C.P.M.

Director of Administrative Services

City of Frisco